**FUTURE OF EUROPEAN UNION SIMULATION**

**Packer Collegiate Institute Position Paper**

**Germany**

March 2016

**Economics**

The German economy is a multi-faceted powerhouse with a strong industrialized workforce specializing in auto, machine, and chemical manufacturing. Along with the industrial sector, the service sector accounts for 70% of Germany’s GDP and is mostly comprised of financial service companies such as Munich RE Group and Deutsche Bank as well as more standard services such as hotels and restaurants. These services and industries rely on exports. Germany is the third largest exporter in the world. The German economy has been able to withstand turmoil within the European Union, as demonstrated by its steadiness amidst the crisis in Greece. As people lost faith in Greece, they switched their capital from Greek economic instruments to German long-term government bonds. While it did not negatively affect Germany, the Greek economic crisis demonstrates the problem with tethering economies of different paces together.

 The dependence of different economies on each other in the European Union jeopardizes the economic balance of the region. As countries go through financial hardships, they need to go through the necessary steps to regain positive growth: deleveraging, then inflation, and finally stimulation. Due to the tight economic regulations of the EU, going through these steps is very difficult. As tensions between countries grow, unity is challenged and governments start to become wary of each other and of the Euro.

 A future move for the Euro that would ease economic hardships could be to create multiple zones in the Euro, each with their own currency. This would allow for policies and regulations to reflect the difference in pace between the north and the south of the Eurozone and the different sectors of economy that are prominent in different regions. A proposed way to split up the Eurozone could be into the southern agricultural economies of countries similar to Greece and Spain and the industrial and financial economies of countries like Germany and Switzerland. This would make financial interaction easier and hopefully spur southern economies to regain control. Another way to help the Euro would be austerity measures in the South because the people are being over indulgent for the economic situation they are in. With debt growing, there is no chance for Greece to repay their loans, but if they can show the rest of the world that they are making an effort, there will be capital influxes which may provide the catalyst to reverse the Greek economy.

**Cross-border**

 Amidst this almost-unprecedented immigration crisis, Germany has been put in a precarious position. While many other countries have placed quotas and vetting systems on the immigrants they admit, Germany allows all immigrants that choose to enter, regardless of their background. Theoretically, these immigrants have been vetted by the border states of the EU, but in actuality, this does not occur. Once an individual has entered the European Union, they are allowed safe passage throughout the EU due to the Schengen Agreement. This amalgam of political indifference allows refugees to enter the EU in a border country and then journey by land to Germany.

           In an effort to be morally sound, Germany’s chancellor, Angela Merkel, has agreed to allow as many immigrants into Germany as they please. As immigrants have poured into the country, a few potential issues have emerged: because the immigrants are unvetted, some may be threats to the country’s safety, even the robust Germany economy cannot create jobs at the rate that immigrants are entering, and on the more extreme side of the spectrum, the immigrants are having trouble integrating, further weakening the collective German identity. Germany must slow the influx of immigrants into the country without seeming like they are doing so.

 Let us not forget what the the Schengen Agreement has done for the European Union. This agreement has allowed the EU to grow as a whole by use of unrestricted trade. Since the enactment of this agreement,  we must admit that the world has changed. The combination of the immigrant crisis and open borders does create concern. However, we must not let this problem destroy our values and unity. Germany will take in immigrants with open arms from the Middle East but will not ignore the dangers that this exodus has created. Germany would like to see increased border security and vetting in the outer EU member states that border non European Union states. We would like to see safe zones within the Middle East to hold these migrants before they come to Europe to be vetted by the EU as a whole. Once this process is completed, they should be able to come into the EU with open arms. These policies will be paid for by countries who are required to play an equal part for the security of the EU. As a result, we believe that the EU must vet these immigrants properly and increase security in the conflict zone  and then welcome as many immigrants as needed.

Germany has emerged as a world leader in the push for renewable energy and the elimination of fossil fuels. It has the largest economy in the world that’s based so largely on renewable energy sources. As a country, Germany has projected that by 2020, it will cut emissions by 40% since 1990, and by 80% in 2050. This is one of the most ambitious clean energy plans that any country has put into place. This plan is known as “energiewende” and has been dubbed as an energy revolution. Lately, weather in Germany has been favorable to the cause and we have surpassed our own renewable energy goals with the use of wind turbines. Their long term goals however, are yet to pan out, and although we are aggressive, Germany has a long way to go in order to live up to our expectations and continue to lead the world in this crucial area.

At this time, corruption is not a major problem in Germany and as a nation it has been decreasing steadily in recent years. It is currently ranked 14th out of 183rd for corruption on Transparency International’s Transparency Index and has measures in place to prevent corruption on both an individual and corporate level. Many corruption offenses are unacceptable on an individual level, under the German Criminal Code and on the corporate level, under the Administrative Offenses Act. That being said, there is room for improvement. For example, minor bribery of elected officials is still present within the German political system. This however is a rather small fault in a largely sound nation.

**Migration**

Since 2000, the German government has undertaken a series of steps to reform laws and shape public opinion in order to bring about better integration and managed migration. Germany’s main concern in integrating immigrants into their society isn’t as security driven as America’s is, but rather comes from an economic standpoint. In an article written in *The Globalist*, Daniel Stelter argues that ultimate factor to how Germany’s economy will be able to handle the immigrants is how the immigrants will contribute to society. People who are in favor of immigrants entering Germany point out that there is a high number of academics entering the country, such as Syrian doctors. On the other hand though, many argue that at least half of the immigrants are uneducated and illiterate. Additionally, many of the low-skill manufacturing jobs are getting filled up very quickly, causing the remaining jobs to require an understanding of the German language and an education. This would mean that a great number of immigrants would have to rely on public support.  Looking at the effects of immigration and integration in the long term, one begins to wonder how long they will end up staying. For instance, the net flow of “unskilled” immigrants into Germany is around seventy percent, then over thirty years Germany could be faced with costs of more than one trillion euros. On the other hand, some people also argue that from an economic standpoint integration of immigrants into the economy could be a good thing. For instance, Germany’s birth rate is only 1.4, and this new flow of people into the county could spur their economy and reverse their aging and shrinking population. Because of where Germany is geographically, it is inevitable that refugees to travel through their country. Recent studies have shown that the top five origins of people seeking asylum in Germany are Syria, Afghanistan, Iraq,  Kosovo, and Albania. Studies also show that Germany and Sweden have received over fifty percent of the Syrian refugee application between 2011 and 2015. In addition, despite border regulations that hey have been able to stop migration flow into the country; many undocumented immigrants are constantly coming into Germany as well. Germany’s decision to enforce border restrictions goes against the 1985 Schengen agreement, and has been causing anxiety for many immigrants. Germany has been scrambling to find centers where people can live for a moment's time. Lots of people have been staying in school gyms because housing is very hard to find with the current flow of immigrants. However, currently Germany is trying to think of other ways to provide housing for refugees, and they are even thinking of maybe using container housing.

**Identity and Integration**

The goal of the German government has to been to integrate any new populations into the country as we accept immigrants, refugees, and migrants. However, the government has recently been criticized by citizens for this policy of acceptance, because a number of attacks on women have occurred throughout the country by migrant workers who were allowed into the country. The solution  lies within the country because the proper way to assmilate people into German culture would be to educate them. The education of immigrants can include lessons in how the government works to learning German. The policies of the country up until late 2015 and early 2016 have been effective. However, an greater numbers of people enter different parts of Germany, an increasing area of concern lies in the increased amount of violence and sexual assault. The reason this poses an issue is because Germany doesn't know how long the refugees are going to stay which poses an issue of the total number of people in the country. Currently, Germany is not facing any secessionist movements.

Merriam Webster defines identity as, “sameness of essential or generic character in different instances” and defines integration as “to make (something) a part of another larger thing.” These two definitions are perfect examples of Germany, if not in history, then in today's world. Germany understood and accepted that they had caused a universal feeling of discontent and pain as a result of its actions in WWII. Granted not everything has been fixed, but Germany has made the effort over the years and a lot of it has been successful. The country has also been able to reconstruct its economy after the downfall in 2008. A worldwide event such as that can hurt a country as large as Germany is, but by being able to regain control and fix its economy Germany  has accomplished quite a feat on its own.. The immigrant crisis has impacted Germany but it has also unified Germany in ways that wouldn't have been possible otherwise. Germany wants more European coalition which would combine and involve other European powers to help the efforts of minimizing the refugee crisis. Because Germany is such a large player in Europe and the world economy and does a lot of trade with the US,  other countries should not hesitate to help Germany with the ongoing immigrant crisis. Every country tries to integrate people in different ways; it’s part of being a modern world. Germany is already a very friendly country and should continue to be and should take the next steps to revamp its rules and regulations towards immigrants and refugees. By taking into consideration all of the country, we have been able to achieve much and prove that Germany is a strong and powerful country.

**Security**

With a large influx of refugees coming from a war and terrorist-ridden country,  Germany is tackling large security threats in order to protect its citizens and prevent a repeat of the Paris attacks in 2015.  A security concern facing Germany is that we are unable to receive background checks on most of the refugees who are coming to the country because of the refugees’ lack of papers upon arrival. This means that there are many unregistered refugees who could potentially be terrorists, so this poses a risk to Germany. There are currently half a million migrants who the German government knows close to nothing about, if they know anything at all. These immigrants aren’t registered because to be in the fingerprint database one must formally request  asylum. Overall, the illegal immigration taking place in Germany poses a threat to the security within the country.

There are also some internal threats facing Germany because of the rise of conservative parties within the country. Mainly it is right-wing extremists which pose a small threat, but a security threat nonetheless. One of the major security concerns facing Europe is ISIS. Many of the immigrants passing through the EU are coming in and are not being vetted and therefore there is potential that ISIS members may be leaking into Europe. This poses a large threat because it means that there could be an attack, like the one in Paris again.

 Generally speaking, within your Europe there have been lots of fears regarding more terrorist attacks, so Europe has been on edge because of the attacks in Paris. The increased edge has led to France taking part in the air campaign against ISIS and other countries shutting down their borders with the fear that ISIS militants will sneak into their borders. For Germany the main concern is whether or not we should shut down the border. The pressure to do so has been mounting a lot, especially after the attacks. Germany,  who already takes in thousands of migrants,  is now fearful that some of the migrants may be terrorists. However, Germany’s stance as of now is to keep letting in the refugees - something that many powerful countries, including America, are not doing. Russia’s intervention in Ukraine is actually hurting the German economy due to the sanctions put on Russia for annexing Crimea. Yet, there have been no armed conflicts between NATO troops and Russia and the military aspect of the crisis as not really been in full swing. The greatest concern to Germany right now regarding the crisis would be their economy.

 Some of the main security alliances Germany is apart of is NATO, the G7, and the UN (which can act as a security alliance), and the European Union. In NATO Germany is taking more of a leadership role in comparison with other European countries, considering that it is now the economic powerhouse of Europe. However in 2014 it was reported that Germany refuses to take a larger part in NATO, not spending much money or really caring about Russia’s invasion of Ukraine. A large part of the German public does not want a larger military or more spending on the military, which makes sense considering Germany's past. World War II and the Holocaust have had a lasting impact on the country which has definitely affected its role in of the security alliances Germany is a part of. Germany’s role within the European Union as stated before is also very large just because of how economically powerful Germany; that is also one of the reasons why they are one of the countries taking in the most Syrian Refugees.

In terms of energy Germany has made the pledge to resist fossil fuels and incorporate more renewable energy sources into its  country.

**Governance**

Since the end of the Second World War, Germany has undergone massive social, political and economic change. The carnage and bloodletting of the Second World War left a divided Germany, with the Soviet Union dominating the eastern part of the country and the allies controlling the western part. This divide left its mark economically and culturally, and since the fall of the Berlin Wall, those differences have become noticeably visible. The east is on average poorer due to the communist policies of the former Soviet Union, and culturally more conservative. Nevertheless, Germany, once very poorly regarded, is today the economic powerhouse of the European Union. A founding member of the European Union, and NATO, and as Russia threatens Europe's borders and refugees flood the continent, Germany is reminded that it has an invested interest in the current world order. Ahead of Germany are some difficult political points of contention. Germany must be able to balance the wants of other European countries that feel disenfranchised by the E.U, handle the deluge of refugees of entering the country; above all Germany must also try to address what many feel is an democratic deficit in the European Union.

As in the U.S, the financial crash in 2009 sent Europe into an economic tailspin. Banks busted across the continent, and at a point western capitalism seemed at risk. However, the crisis also pointed to a European economic divide. Prior to the Great Recession, many southern European countries such as Greece had large public expenses and borrowed large sums of money from wealthier northern European countries to cover their expenses. After the crash, countries like Greece were left with large debts with high interest rates. Greece risked defaulting on its debt and as a result possibly leaving the European union. As a result Greece's creditors such as Germany,  France, and the International monetary fund (IMF), demanded that Greece and other struggling European nations face stiff austerity measures in return for a certain degree of debt right off.  Since the Recession, there has been a palpable sense of frustration within the fraying European Union. In many struggling European states, extremely high unemployment has become the norm and living standards have declined due to the harsh austerity measures demanded by Northern European creditors. Southern States also feel that are being ruled over by a distant power whom they have little control over.   Northern Europeans are tired of bailing out financially reckless Southern States. And all of Europe has seen the rise of far fringe politicians in who favor leaving the Euro zone.  Germany has seen political groups like the anti-european parties such Alternative for Germany ( AFG) surge in the polls. As one of the founding members and main benefactors  of the European Union, Germany has an invested interest in saving the Euro.  We in the Christian Democratic Union party believe that it is against the interest of Germany to back away from our responsibilities in the Eurozone and hope that helping countries like Greece get their finances back on track while relieving their public debt will convince them they are better left in the Union.

Economic headwinds are not the only challenge Europe and Europe have to handle. The deserts of the Middle East and churning out millions of refugees fleeing for Europe. Many come running from the carnage  and bloodshed of the regions proliferating civil wars. Others come as economic migrants looking for a better life for themselves and their families. For the most part these people have been met with a less than warm welcome. Indeed, many Eastern European countries are even  erecting border fences and checkpoints. If more countries follow their lead, than it could lead to the collapse of the Schengen zone and possibly the collapse of Union itself. As a citizen of Germany and a member of the Christian Democratic Union, we believe it is in Europe's best interest for stronger German leadership. We suggest tighter security are E.U borders, and the even distribution of incoming migrants.

 To fix these issues Germany must help prove that E.U works, and that this great experiment was not in vain. Above all, we must help address the notion that the E.U is not as democratic as it should be. And indeed many more positions in the E.U should be open to elections.

**Foreign Policy**

Germany is a founder and active participant in the EU and conducts foreign policy within the framework of the EU and outside of the EU when interacting with non-EU members. As a founder and the largest economic power of the EU Germany is actively involved in day-to-day operations and currently is one of the largest advocates for the acceptance of refugees by EU members. They also have many exchanges and treaties with other non-EU countries (For example, the United States is their largest trade partner.)  and they  belong to a host of international organizations alongside the EU.  German foreign relations with the United States are extremely strong economically, politically, and socially. America recently overtook France as Germany’s largest trade partner and its economic relationship with Germany continues to grow. However, Germany continues to maintain a close economic relationship with France and other European nations.

 As Germany’s foreign policy delegation for the simulation, we want to parallel the priorities in their policies while adding our opinions on global issues from the perspective of Germany. Specifically relevant to this year’s simulation, we aim to focus our energy on addressing the policies relating to the Syrian refugee crisis such as Germany’s fiscal and resource contributions to countries hosting refugees, their policies regarding border control, and thoughts about a German presence in Syria.

One of our priorities is to maintain a strong alliance with France which is essential to maintaining a majority power in EU and a major key to productivity in the EU as well as relations with many other nations.  Germany is a leader in clean energy and would like to see the world become greener. Clean energy remains to be a priority for the nation. The current Syrian refugee crisis is also a large concern and priority as the EU is fragmented on this issue. Germany is willing to accept refugees (roughly 1 million) and accommodate them as well as possible. They also aim to urge other EU nations to accept refugees and have funded Turkey with 3 billion dollars to receive refugees.

The ongoing European debt crisis is an additional concern. Germany’s economy is strong and stable, however in order for economic stability throughout the EU, they are helping to rehabilitate struggling economies such as Greece, Spain, Italy. This rehabilitation is instrumental to long term EU economic success, in short, Germany must stay active and help other nations for long term success.

         Germany is extremely active in many organizations, the most important of which being: the EU-European Union, UN-United Nations, NATO-North Atlantic Treaty Organization, OSCE-Organization for Security and Co-operation in Europe, **G7**-Group of Seven: Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States, OECD-Organization for Economic Co-operation and Development, Interpol-International Criminal Police Organization.

 It is essential to the foreign policy of Germany that the state of Israel be maintained and protected. Israel is a legal nation created by the United Nations in Resolution 181. Germany’s background with their involvement in World War Two has a negative connotation with many other nations, and the jewish people,  meaning that a continuous foreign policy priority for Germany is maintaining a good relationship with Israel.